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**NAAC ACCREDITED 'A' GRADE**



**Topic: Recent Trends in e-Commerce**

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## Social commerce

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[Source: Wikipedia.com/]

**Social commerce** is a subset of electronic commerce that involves social media, online media that supports social interaction, and user contributions to assist online buying and selling of products and services.

The term social commerce was introduced by Yahoo! in November 2005 which describes a set of online collaborative shopping tools such as shared pick lists, user ratings and other user-generated content-sharing of online product information and advice.

Social commerce is the use of networking websites such as Facebook, Instagram, and Twitter as vehicles to promote and sell products and services. The success of a social commerce campaign is measured by the degree to which consumers interact with the company's marketing through retweets, likes, and shares.

Social commerce aims to assist companies in achieving the following purposes.

1. Firstly, social commerce helps companies engage customers with their brands according to the customers' social behaviors.
2. Secondly, it provides an incentive for customers to return to their website.
3. Thirdly, it provides customers with a platform to talk about their brand on their website.
4. Fourthly, it provides all the information customers need to research, compare, and ultimately choose you over your competitor, thus purchasing from you and not others.

Some of the most common social commerce **features** include:

- Buy buttons within social media posts
- Shoppable posts and stories
- Ads on social networks including calls to action redirecting to e-commerce sites
- Peer-to-peer buying and selling
- Social commerce plugins and apps

Social commerce professionals create and post messages and interactive features that promote online sales. Some of the **marketing tactics** social commerce employs include:

- Inviting users to vote on product style or choices
- Offering personalized buyer options
- Applying large and striking graphics to attract viewer clicks
- Using videos to show the product in use and from multiple angles
- Encouraging user-submitted photos, commentary, and feedback
- Using celebrity endorsements of the product line
- Linking directly to the checkout or shopping cart
- Offering promotions or giveaways to users who share the product on their feeds

Social commerce encourages the use of social shopping tools such as forums and

communities in which buyers and sellers discuss their online shopping experiences and compare notes.

Social commerce is a comparatively new trend in the world of e-commerce, and thus it triggers such a great interest. Well, let's look inside of this phenomenon:

#### **Pros of social commerce:**

- Reduced marketing costs
- Increased sales
- Increased traffic to your website
- Improved ranking on search engines
- Greater customer engagement
- Greater access to international markets
- Opportunity for customer feedback
- Opportunity to conduct market research about your customers
- Improved networking opportunities with customers and other businesses.

#### **Cons of social commerce:**

- Not having a clear marketing or social media strategy may result in reduced benefits for your business.
- Additional resources may be needed to manage your online presence.
- Social media is immediate and needs daily monitoring.
- If you don't actively manage your social media presence, you may not see any real benefits.
- Risk of unwanted or inappropriate behavior on your site, including bullying and harassment.
- Greater exposure online has the potential to attract risks. Risks can include negative feedback, information leaks or hacking.



#### **Digital marketing**

[Source: Abhinav Krishnan, <https://www.quora.com/>]

Digital marketing is everything you might need to do to promote your business online. You will have to use various digital platforms in order to get noticed by the plethora of already existing online users.

Thanks to the rapid development in the Internet using public and advancing technology, digital marketing has gained immense popularity over the past few years. And now is continually upgrading to remain relevant in this industry and to provide businesses with many strategies that might just work for them in a customized manner and help them grow in turn.

#### **Benefits of digital marketing**

Digital Marketing is highly popular with all types and sizes of businesses and that too for various

reasons as mentioned below:

- Cost-effectiveness
- Faster and more reliable and traditional strategies
- Increased outreach to target audience
- Higher revenue for businesses
- Higher ROIs
- Fosters real-time interaction with customers
- Helps build the trust of businesses with customers
- Offers web and data analysis as a part of its strategies
- Increased brand recognition and awareness for the businesses.

Thus with all these benefits, it has really become a favorite amongst all the businesses.

### **Services / Features of digital marketing**

These are the various strategies or features of digital marketing, which actually play their role effectively when put together in the right mix and applied for the benefit of an organization.

- SEO – Search Engine Optimization, allows an online business or their website, to be ranked on top of any search engine so that it becomes highly visible to the target audience. Ranking higher is of utmost importance these days since people don't even want to look at the 2nd page of the search engine. For achieving this, the SEO needs a lot of content optimization and also use of proper keywords on your website.
- SEM – Search Engine Marketing, refers to all the activities related to advertising on the search engines in order to attract the target customers.
- SMM – Social Media Marketing uses all the social media channels as a means to promote the business or their products and services, for example, use of Facebook or Instagram to write an attractive post about the company and make it visible to many users at the same time.
- PPC – Pay Per Click, under this model, makes use of online advertising and hence helps you make money as and when online users click on the advertise, depending upon per click they pay you.
- Affiliate Marketing – Allows you to place ads of third party websites or blogs on your website and earn a handsome income through commission.
- Email and Mobile marketing – These may sound old school, but help in attracting a larger audience for example by sending bulk emails or SMSs to target customers.
- Web Analysis – Well highly in demand as a profession, this strategy helps an organization to gain access to competitor's data and also the customer's data and helps analyze it, so that you have a clear picture of your applied strategies and how to modify them.



- **Social Media Advertising**

[Source: <https://www.bigcommerce.com/blog/social-media-advertising/>]

Social media advertising, or social media targeting, are advertisements served to users on social media platforms. Social networks utilize user information to serve highly relevant advertisements based on interactions within a specific platform. In many instances, when target market aligns with the user demographics of a social platform, social advertising can provide huge increases in conversions and sales with lower cost of acquisition.

### **Different Types Of Social Media Platforms To Serve Ads:**

- Social networking (Facebook, LinkedIn, Google+).
- Microblogging (Twitter, Tumblr).
- Photo sharing (Instagram, Snapchat, Pinterest).
- Video sharing (YouTube, Facebook Live, Periscope, Vimeo).

### *Benefits of Advertising On Social Media Channels*

Why is social media advertising your best advertising bet for quick ROI? Because...

- Most channels require significant lead time to yield an ROI. For example, [content marketing](#) works best over time after it has been able to yield backlinks and SEO traction.
- Some channels yield quick results but not day in and day out. For example, [influencer marketing](#) can earn you quick results in terms of sales for low effort (though high cost). But those results don't continue occurring over time. Instead, you earn sales on a per post basis, and often less each time it is posted.
- Some channels are consistent but time consuming to dial in. For example, AdWords can produce consistent results for your brand, but it takes a while to master and earn specific placement.

With social media advertising, you can have consistent sales coming in from the first day your website is live.

For modern ecommerce sites, the ability to immediately and consistently bring in new customers is a HUGE deal. Even if you can't achieve net positive revenue on the initial sale, referrals, email marketing and [customer retention](#) can pay off extensively with every marginal customer.

### **Benefits Of Advertising Through Social Media Include:**

- Grow your sales and your fanbase.
- Use customer generated content for ads (which perform better, too!).
- Better target net new and returning customers (so you waste less money).
- A/B test on the fly, using platform analytics to determine winners.



One of the fascinating things about social advertising is that there is virtually no limit to your ability to scale.

Which social media network you choose will depend on 3 VERY important factors:

1. Where your target customers are most concentrated (usage, groups, etc.)
2. Where your target customers are most accessible (preferred media, ad targeting, etc.)
3. Where your target customers most actively engage with ads (testing required)

Common examples of **content for social media advertising** campaigns include:

- Whitepapers.
- Ebooks.
- Product coupons.
- Sitewide discounts.
- Limited-time offers.
- Giveaways.
- Free shipping.

These leads can then be nurtured with a targeted autoresponder that introduces them to your brand and products.

In 2020, there are 6 different **social media channels / platforms** where you can follow proven ad strategies and generate consistent ROI.

1. Facebook.
2. Instagram.
3. Twitter.
4. Pinterest.
5. LinkedIn.
6. Snapchat.